

STATE SENATOR • RAYMOND E. BASHAM • 8TH DISTRICT

Basham Press Release

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BASHAM DEMANDS HEARING ON DEADBEAT BOSS LEGISLATION

Commerce & Labor Chair Asked to Give Bill a 'Fair Hearing'

LANSING- State Senator Ray Basham (D-Taylor) wrote Commerce and Labor Chairman Jason Allen today requesting a public hearing on Senate Bill 734 which would require corporations with more than 10,000 workers to either provide affordable insurance to their employees or reimburse the state for nearly \$100 million in annual Medicaid related expenses. Basham made his request to coincide with public hearings taking place today in the Washington state Legislature on similar legislation.

"Throughout the country we are seeing states beginning to crack down on deadbeat companies who have been fleecing the taxpayers out of hundreds of millions of dollars in avoidable Medicaid costs," said Basham. "But here in the Michigan Senate, it's still business as usual."

Senate Bill 734, authored by Sen. Basham, requires large, highly profitable corporations to invest at least 8% of its payroll into health care coverage for its employees. Employers who refuse will be required to reimburse the state for the difference. The revenues will be put into a newly created "Fair Share Health Care Fund" to be used to reimburse taxpayers for Medicaid related expenses.

Today, the Washington Legislature will hold public hearings on similar legislation that will require large companies to spend 9 percent of their payroll on health care for their employees. This coming only days after Maryland overrode a gubernatorial veto and will require large businesses to spend 8 percent of their payroll on health-care benefits or pay into the state's health program for the poor.

"My legislation only seeks to protect Michigan taxpayers from a handful of highly profitable companies who want to shift their healthcare related costs onto an already struggling Medicaid system," said Basham. "The taxpayers of Michigan deserve a fair hearing for this matter."

According to statistics provided by the Michigan Department of Human Services, just one large Michigan employer, with 5,402 workers and 5,851 dependents currently enrolled on Medicaid, is costing state taxpayers approximately \$46 million annually. Deadbeat companies are projected to cost Michigan taxpayers approximately \$100 million annually.

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